



Annual Report 2006-07
Review Period Ending April 3, 2006

THOMAS R. SUOZZI
County Executive



GLENN BORIN
Chairperson

**COUNTY OF NASSAU
ASSESSMENT REVIEW COMMISSION
1 West Street, Mineola, New York 11501
www.nassaucountyny.gov/arc**

MEMORANDUM

Date: May 31, 2006
To: Hon. Thomas R. Suozzi
Hon. Judith Jacobs
Hon. Peter Schmitt
From: Assessment Review Commission
Subject: Annual Report for the 2006-07 Review Period Ending April 3, 2006

On behalf of the Assessment Review Commission I respectfully submit the Annual Report of the Assessment Review Commission for the 2006-07 review period, which concluded with the publication of the final assessment roll on April 3, 2006.

It is our pleasure to work with you and the other elected officials of the County to provide the best possible level of service to the County's residential and commercial property owners. During the period covered by this report the County successfully completed the first phase of its plan for eliminating assessment review proceedings as a fiscal threat. With your support, the Assessment Review Commission will do its part to safeguard this accomplishment by providing fair and effective relief to taxpayers who have been asked to pay more than their appropriate share of the local tax burden.

A handwritten signature in black ink, appearing to read "Glenn Borin".

Glenn Borin, Chairperson

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HIGHLIGHTS

In 2005 the County completed implementation of the first phase of its plan for controlling the fiscal impact of the County Guarantee for Tax Refunds – state law requiring the County to pay refunds of town and school taxes arising from assessment errors.

The County reduced the backlog of valid claims to its lowest level in 20 years by paying them at a rate that outpaced the accrual of new claims:

- ❑ The County reduced year-end liability for pending valid claims to \$131 million, from \$311 million in 2004 and \$400 million in 2001.
- ❑ The County maximized a final opportunity for unrestricted use of borrowed funds to reduce the backlog by paying \$251 million in refunds for past over-assessments in 2005. This was 36% more than the previous record payout of \$184 million in 2004.
- ❑ The Assessment Review Commission and the County Attorney's Office settled \$151 million in claims involving commercial property, a 14% increase over the prior year and 80% more than the previous 5-year average.
- ❑ The Assessment Review Commission and County Treasurer implemented a refunds-without-settlement program for commercial claims at the end of 2005, which contributed an additional \$54 million to the record payout.
- ❑ The County Comptroller and outside audit firm reviewed and approved the procedures for the refund without settlement program and audited the estimate of year-end liability.

The County began paying refunds with operating funds in place of the longstanding practice of using borrowed funds to pay routine refunds:

- ❑ The County Legislature appropriated \$50 million in operating funds for pay-as-you-go funding of tax refunds in 2006.
- ❑ The County reduced new year-end liability for valid claims against the current tax roll to \$53 million from an average of \$75 million on the pre-revaluation rolls and \$144 million for the 2003-04 tax roll, which was the product of the first revaluation.
- ❑ The annual appropriation is approximately equal to the new liability added, allowing the backlog to remain low. In addition, the County has transitional authority to use \$25 million in borrowed funds to further reduce the backlog in 2006 and 2007.

In the second phase of its plan, the County will safeguard its ability to absorb refunds within its operating budget and prevent a renewed build up of valid claims. It will continue to improve the accuracy of its assessment rolls through annual revaluations:

- ❑ The Department of Assessment completed the 2007-08 tentative assessment roll reflecting the fourth revaluation since 2003, the third year of transition assessments for most commercial properties and the first year where almost all residential properties were protected by a 6% cap on year-over-year assessment increases.

The Assessment Review Commission will further limit new liability by continuing and enhancing its annual administrative review:

- ❑ The Assessment Review Commission removed approximately \$123 million in excess liability from the 2006-07 roll.
- ❑ The value of roll corrections increased 60% over the prior year and reached a cumulative total of \$330 million since 2002.
- ❑ The Assessment Review Commission used its power to compel submission of information necessary for accurate determination of claims of over valuation, including commercial lease abstracts, rent rolls, income and expense statements, sale documents, and construction costs. The Assessment Review Commission may dismiss proceedings with prejudice where the owner's representative fails to respond to a request for data. Compliance with requests in commercial cases improved substantially, facilitating expansion of the Assessment Review Commission's settlement and roll correction programs.
- ❑ The value of commercial property corrections increased 269%. Commercial reductions generated 85% of the total tax savings.
- ❑ Residential reductions declined to 36% of the peak level reached in 2004-05 due to improvements in the accuracy of the residential values estimated by the Department of Assessment in the second and third annual revaluations.
- ❑ The Assessment Review Commission made determinations on all completed applications filed for review of 2006-07 assessments and entered into stipulations of settlement in 11,781 residential cases.

The County will support these efforts with a vigorous defense of accurate assessments that are challenged in lawsuits:

- ❑ In trials involving a retail strip center, a cooperative apartment house and several golf courses the appraisals submitted by the County Attorney's office were largely adopted in the resulting decisions.
- ❑ The Department of Assessment developed a full-time staff dedicated to defense at Small Claims hearings allowing the County to discontinue the outsourcing of that function.

The County continues to invest in technology to provide assessment accuracy and public convenience at the least possible cost:

- ❑ The Assessment Review Commission and Department of Information Technology launched an interactive web application, AROW, which allows taxpayers, attorneys and agents to appeal assessments on-line. More than 4,000 individuals and firms used the system in 2006 to file 92% of the more than 147,000 appeals submitted by the March 1 deadline. AROW is one of the first on-line assessment appeal systems in the country and the only one that provides homeowners with an automated search of recent sales for evaluation of the tentative assessment.
- ❑ The Department of Information Technology staff and consultants enhanced and expanded existing computer systems that support the assessment, assessment review, tax collection and enforcement functions and issued a Request for Proposals for additional software to integrate and enhance these functions and replace systems operating on obsolete equipment.
- ❑ The County submitted its final request for assistance from the Nassau County Interim Finance Authority; the final appropriation of \$4.8 million was earmarked for streamlining the assessment review function and eliminating the need for borrowing for refunds.

ASSESSMENT REVIEW COMMISSION

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Glenn Borin, Chairperson

Kevin J. O'Donnell, Vice Chairperson

Commissioners:

Jeffrey B. Gold

Ray Hawkins

Lenora W. Long

Stephen Richard Mahler

Allan Stern

Sunil Beesham, Director, Operational Analysis

Regina Mahony Goodman, Director, Financial Analysis

Helen McQueen, Director, Customer Service

John Peguillan, Appraisal Manager

Joanne Petraro-Fisher, Office Manager

Loren B. Schindler, Counsel

Siddhartha Som, Director, Statistical Modeling

ASSESSMENT REVIEW COMMISSION
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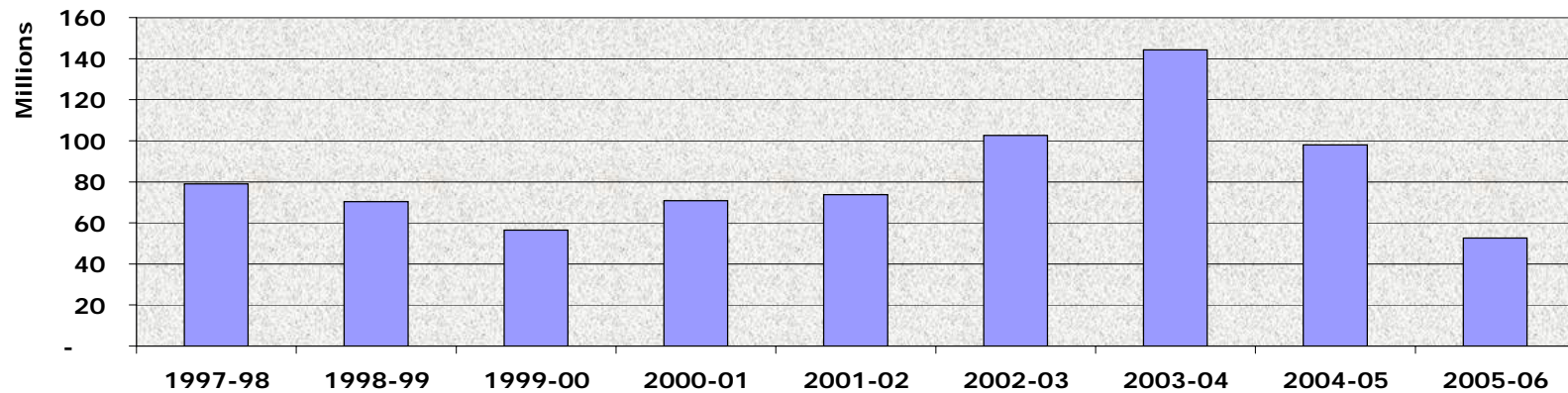
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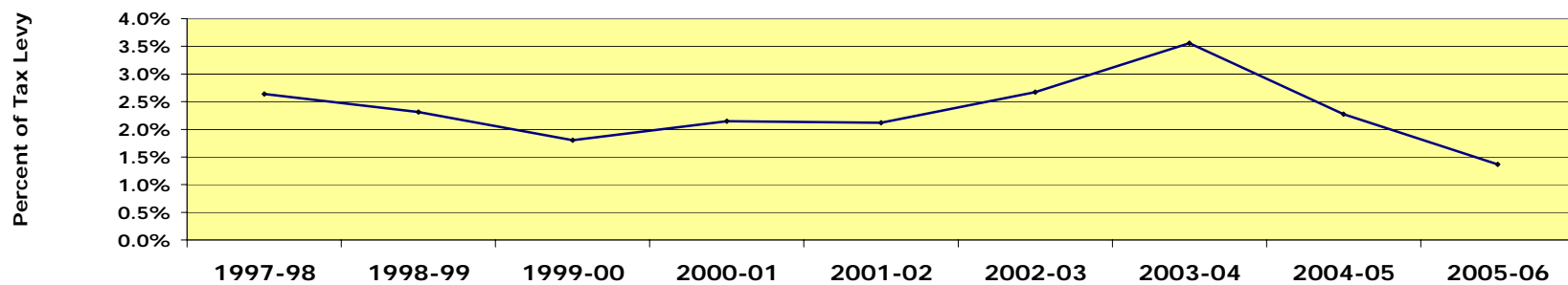
ESTIMATED NEW REFUND LIABILITY BY TAX YEAR

Tax Year	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06
Estimated New Liability	79,047,445	70,387,567	56,498,664	70,852,596	73,675,282	102,659,942	144,300,565	97,997,597	52,676,891
Tax Levy	2,994,529,437	3,042,194,168	3,128,665,957	3,303,567,112	3,481,141,235	3,839,557,666	4,055,948,063	4,314,275,658	4,471,368,563
Liability as % of Tax	2.6%	2.3%	1.8%	2.1%	2.1%	2.7%	3.6%	2.3%	1.4%

Estimated New Liability at Year-End

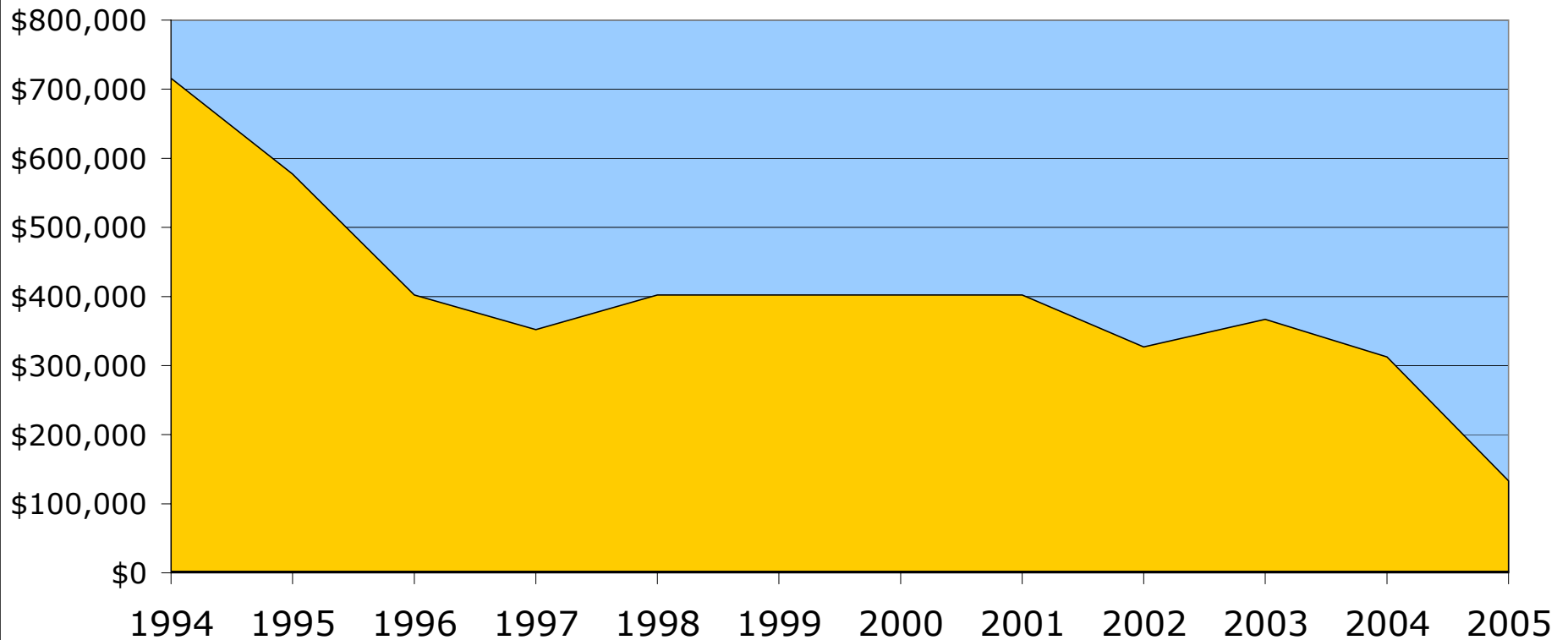


Estimated New Liability as Percent of Total Tax Levy



By December 2005 new liability was reduced to less than \$53 million, 30% less than the pre-revaluation average

ESTIMATED TAX REFUND LIABILITY



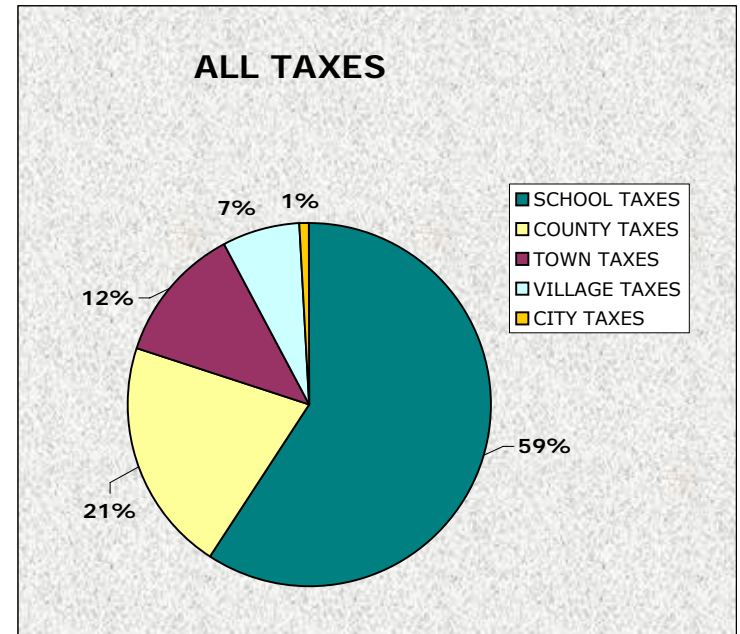
TOTAL LIABILITY AT YEAR END

	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
	714,000	575,000	400,000	350,000	400,000	400,000	400,000	400,000	325,000	365,000	310,500	131,000

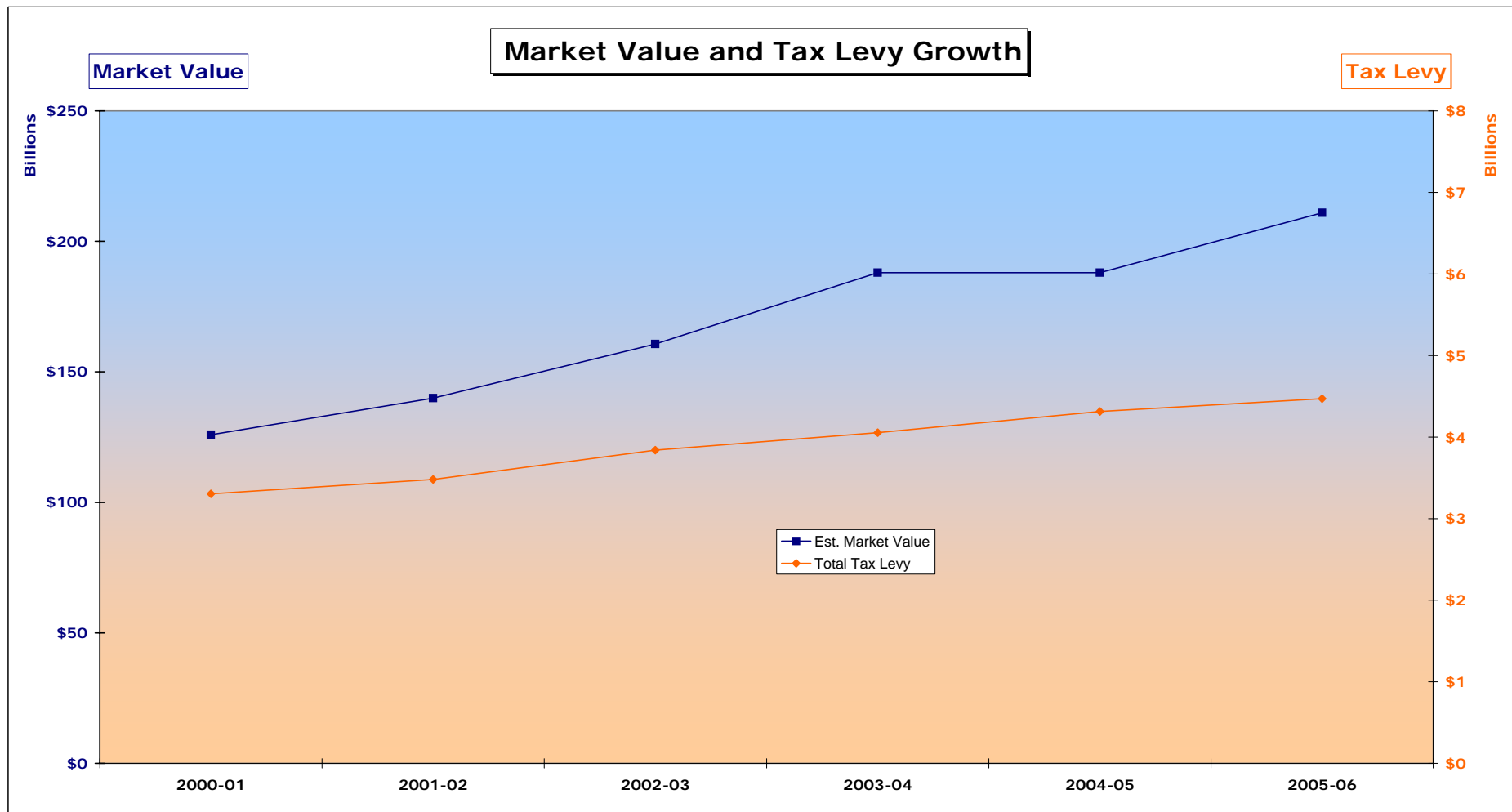
The County Comptroller reports year-end liability reached a 20-year low as of December 2005

TAXES LEVIED IN NASSAU COUNTY 2003-04

	TOTAL LEVY	SUBJECT TO COUNTY GUARANTEE
SCHOOL TAXES	\$ 2,622,039,540	\$ 2,577,117,298
COUNTY TAXES	\$ 922,299,794	\$ 922,299,794
TOWN TAXES	\$ 543,636,441	\$ 543,636,441
VILLAGE TAXES	\$ 301,627,155	\$ -
CITY TAXES	\$ 41,485,671	\$ -
TOTAL LEVY	4,431,088,601	\$ 4,043,053,533



Nassau County assessments are used as the basis for county taxes and most school and town taxes. The county pays refunds of these taxes that result from assessment errors.



Combined School, Town, and County Tax Levies By Class

	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06
Class One	\$ 2,079,594,214	\$ 2,170,542,054	\$ 2,429,729,062	\$ 2,609,662,868	\$ 2,828,226,342	\$ 3,016,306,607
Class Two	\$ 123,586,449	\$ 123,655,914	\$ 134,531,615	\$ 142,590,343	\$ 139,149,304	\$ 140,882,204
Class Three	\$ 168,179,709	\$ 218,180,750	\$ 232,422,972	\$ 240,129,837	\$ 264,818,389	\$ 211,319,241
Class Four	\$ 932,206,741	\$ 968,762,518	\$ 1,042,874,018	\$ 1,063,565,015	\$ 1,082,081,622	\$ 1,102,860,511
TOTAL	\$ 3,303,567,112	\$ 3,481,141,235	\$ 3,839,557,666	\$ 4,055,948,063	\$ 4,314,275,658	\$ 4,471,368,563

Market Value of Taxable Parcels

	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06
Class One	\$ 101,846,929,791	\$ 114,219,974,626	\$ 134,205,829,945	\$ 162,870,956,250	\$ 162,870,956,250	\$ 183,687,883,333
Class Two	\$ 3,013,427,520	\$ 3,138,768,671	\$ 3,110,078,249	\$ 3,235,701,070	\$ 3,235,701,070	\$ 3,661,929,947
Class Three	\$ 2,080,393,890	\$ 2,256,516,386	\$ 2,325,859,882	\$ 2,475,937,500	\$ 2,475,937,500	\$ 2,458,094,200
Class Four	\$ 19,002,631,401	\$ 20,287,586,480	\$ 21,049,457,692	\$ 19,387,336,684	\$ 19,387,336,684	\$ 21,128,345,241
TOTAL	\$ 125,943,382,602	\$ 139,902,846,163	\$ 160,691,225,768	\$ 187,969,931,504	\$ 187,969,931,504	\$ 210,936,252,721

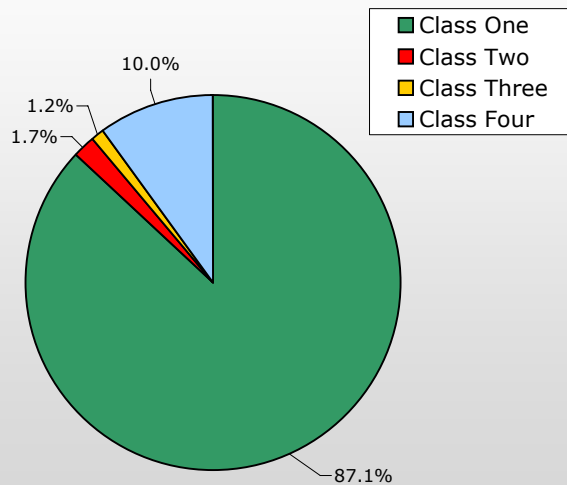
Effective Tax Rates by Class

	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06
Class One	2.04%	1.90%	1.81%	1.60%	1.74%	1.64%
Class Two	4.10%	3.94%	4.33%	4.41%	4.30%	3.85%
Class Three	8.08%	9.67%	9.99%	9.70%	10.70%	8.60%
Class Four	4.91%	4.78%	4.95%	5.49%	5.58%	5.22%
TOTAL	2.62%	2.49%	2.39%	2.16%	2.30%	2.12%

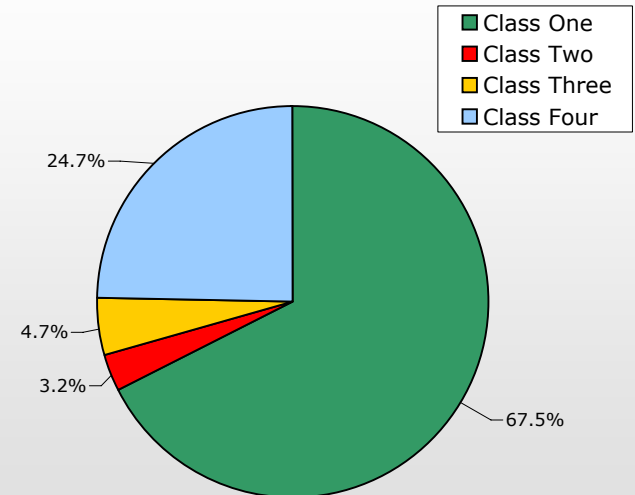
Tax base growth has exceeded tax levy growth, but commercial values have not grown as fast as residential values.

Composition of Market Value and Tax Levies by Class

Estimated Market Value of All Taxable Parcels in 2005-06

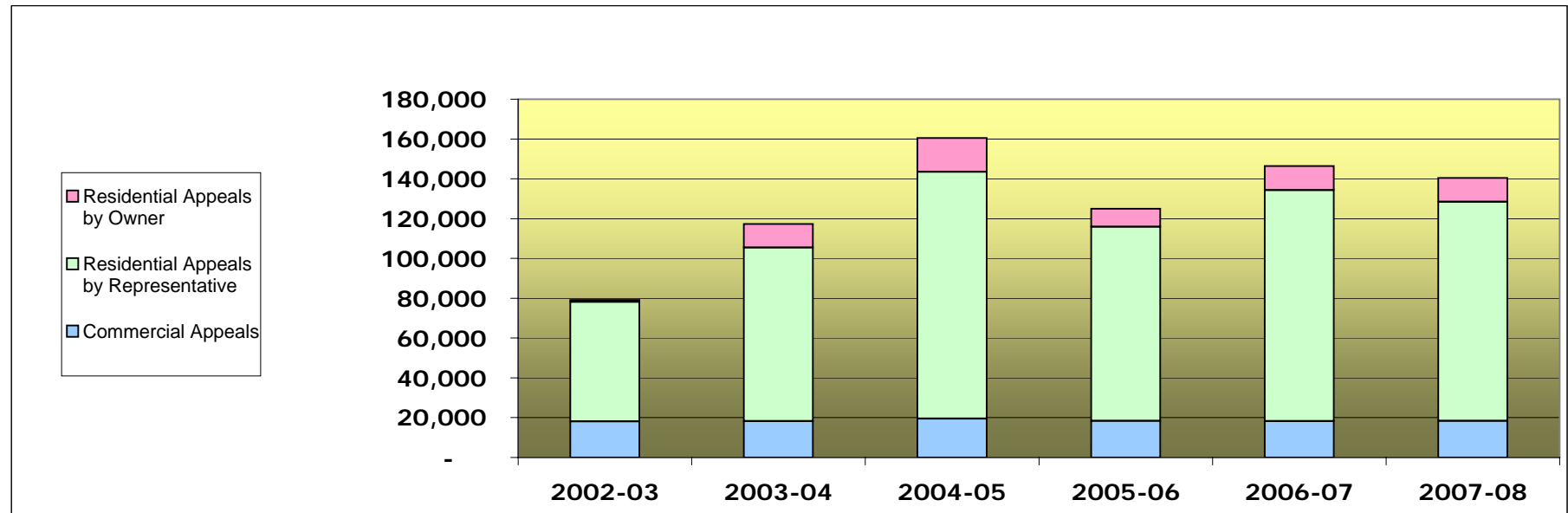


Combined School, Town, and County Tax Levies By Class in 2005-06



Residential properties pay two-thirds of the taxes but commercial properties pay higher effective tax rates

ADMINISTRATIVE APPEALS BY TAX YEAR						
	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
Residential Appeals						
by Owner	1,034	11,906	17,028	9,055	12,152	11,950
by Representative	59,994	87,078	124,015	97,623	116,068	110,077
Residential Parcels Appealed	61,028	98,984	141,043	106,678	128,220	122,027
Commercial Appeals						
Class 2: Apartments	3,959	4,153	4,272	4,177	4,259	4,453
Class 3: Utility Equipment	89	89	89	89	89	281
Class 4: Other Commercial	14,056	14,078	15,144	14,070	13,871	13,636
Commercial Parcels Appealed	18,104	18,320	19,505	18,336	18,219	18,370
Total Parcels Appealed	79,132	117,304	160,548	125,014	146,439	140,397
Duplicate Filings	11,544	10,830	12,832	7,457	9,113	7,293
Total Appeals	90,676	128,134	173,380	132,471	155,552	147,690



Residential appeals peaked after the first revaluation but remain high. Commercial appeals have been stable.

Administrative Appeals by School District and Tax Class for 2006-07

SCHOOL DISTRICT	Number of Appeals Filed					SCHOOL DISTRICT	Number of Appeals Filed				
	Class 1	Class 2	Class 3	Class 4	Total		Class 1	Class 2	Class 3	Class 4	Total
Amityville	434	4	1	104	543	Long Beach	3,473	1,542	4	239	5,258
Baldwin	3,573	62	8	312	3,955	Lynbrook	1,912	24	11	389	2,336
Bellmore	1,738	26	3	194	1,961	Malverne	1,593	3	18	112	1,726
Bethpage	1,643	1		184	1,828	Manhasset	2,699	3	1	231	2,934
Carle Place	863	2		198	1,063	Massapequa	5,480	3	8	386	5,877
Cold Spring Harbor	262		1		263	Merrick	2,600	4	9	196	2,809
East Meadow	5,385	88		296	5,769	Mineola	1,820	119	10	727	2,676
East Rockaway	982	13	2	87	1,084	New Hyde Pk-GC Pk	1,860	6		473	2,339
East Williston	1,313	17		98	1,428	North Bellmore	3,069	16	2	138	3,225
Elmont	3,494	13	2	285	3,794	North Merrick	1,698	4	2	42	1,746
Farmingdale	3,738	42	2	300	4,082	North Shore	1,568	14	19	189	1,790
Floral Park-Bellerose	1,639	18		247	1,904	Oceanside	4,436	33	6	561	5,036
Franklin Square	2,796	4		235	3,035	Old Bethpage-Plainview	4,168		2	306	4,476
Freeport	2,404	230	2	615	3,251	Oyster Bay-East Norwich	1,316	11	1	164	1,492
Garden City	2,845	460	2	216	3,523	Plainedge	2,303	1		119	2,423
Glen Cove	1,021	38	1	361	1,421	Port Washington	3,358	98	1	443	3,900
Great Neck	4,720	737	1	535	5,993	Rockville Centre	2,476	66	3	246	2,791
Hempstead	1,647	131	7	582	2,367	Roosevelt	865		5	69	939
Herricks	3,982	3		115	4,100	Roslyn	2,560	11	5	336	2,912
Hewlett-Woodmere	3,495	27	12	195	3,729	Seaford	1,853	3	1	175	2,032
Hicksville	2,532	12	8	640	3,192	Syosset	5,056	4	2	430	5,492
Island Park	833	9	6	229	1,077	Uniondale	1,989	9	3	462	2,463
Island Trees	1,263	5	1	107	1,376	Valley Stream	5,246	43	21	593	5,903
Jericho	2,140	7		190	2,337	Wantagh	2,209	26	7	170	2,412
Lawrence	4,722	131	11	537	5,401	West Hempstead	2,059	8	2	235	2,304
Levittown	5,145	3	3	126	5,277	Westbury	1,867	214	1	507	2,589
Locust Valley	1,766	5		148	1,919						

Since the revaluation residential appeals have come from all parts of the County

ROLL REDUCTIONS BY THE ASSESSMENT REVIEW COMMISSION										
	2002-03		2003-04		2004-05		2005-06		2006-07	
NUMBER OF PARCELS REDUCED										
CLASS ONE	1,168		17,409		38,656		33,626		11,908	
CLASS TWO	235		188		1,449		536		1,094	
CLASS FOUR	280		236		806		971		2,529	
TOTAL	1,683		17,833		40,911		35,133		15,531	
TAX LIABILITY OF PARCELS REDUCED										
CLASS ONE	\$	9,748,882	\$	141,467,065	\$	458,821,797	\$	365,367,777	\$	172,299,002
CLASS TWO	\$	20,346,329	\$	15,734,880	\$	37,705,564	\$	37,938,377	\$	76,773,815
CLASS FOUR	\$	76,029,635	\$	102,831,564	\$	89,525,363	\$	150,887,055	\$	422,206,473
TOTAL	\$	106,124,846	\$	260,033,509	\$	586,052,723	\$	554,193,209	\$	671,279,290
TAX REDUCTION										
CLASS ONE	\$	1,261,738	\$	15,419,169	\$	49,755,444	\$	38,172,589	\$	18,076,517
CLASS TWO	\$	3,513,956	\$	6,998,787	\$	7,715,303	\$	6,901,926	\$	13,050,448
CLASS FOUR	\$	15,529,304	\$	20,634,080	\$	19,663,524	\$	32,475,082	\$	81,344,869
TOTAL	\$	20,304,999	\$	43,052,036	\$	77,134,271	\$	77,549,597	\$	112,471,834

ARC roll reductions have avoided more than \$330 million in refunds since 2002

Assessment Review Commission Actions on Administrative Appeals for 2006-07						
Tax Class	Residential	Commercial				All Property
	1	Apartment 2	Utility 3	Other 4	Total	
Parcels						
Taxable parcels on roll	380,750	5,074	1,735	20,714	27,523	408,273
Appealed	128,220	4,259	89	13,871	18,219	146,439
Reduced on roll by stipulation	11,781	277	1	283	561	12,342
Reduced on roll, total	11,908	1,094	1	2,540	3,635	15,543
No reduction	116,312	3,165	88	11,331	14,584	130,896
Tax liability for 2006-07						
Taxable parcels on roll	\$ 3,426,109,542	\$ 201,326,628	\$ 262,978,038	\$ 1,317,863,716	\$ 1,782,168,381	\$ 5,208,277,923
Appealed	\$ 1,344,886,396	\$ 185,730,819	\$ 25,866,826	\$ 1,259,252,675	\$ 1,470,850,319	\$ 2,815,736,715
Reduced on roll by stipulation	\$ 170,801,214	\$ 12,694,270	\$ 7,500,000	\$ 39,270,404	\$ 59,464,674	\$ 230,265,888
Reduced on roll, total	\$ 172,281,770	\$ 76,805,160	\$ 7,500,000	\$ 430,774,364	\$ 515,079,523	\$ 687,361,294
No reduction	\$ 1,172,604,626	\$ 108,925,659	\$ 18,366,826	\$ 828,478,311	\$ 955,770,796	\$ 2,128,375,422
Tax reduction for 2006-07						
Reduced on roll by stipulation	\$ 17,878,265	\$ 1,873,519	\$ 7,500,000	\$ 8,739,697	\$ 18,113,216	\$ 35,991,481
Reduced on roll, total	\$ 18,076,517	\$ 13,050,448	\$ 7,500,000	\$ 84,549,214	\$ 105,099,662	\$ 123,176,179
Statistics						
Percentage of parcels appealed	34%	84%	5%	67%	66%	36%
Percentage of tax liability appealed	39%	92%	10%	96%	83%	54%
Average tax - parcels on roll	\$ 8,998	\$ 39,678	\$ 151,572	\$ 63,622	\$ 64,752	\$ 12,757
Average tax - parcels appealed	\$ 10,489	\$ 43,609	\$ 290,638	\$ 90,783	\$ 80,732	\$ 19,228
Average tax reduction	\$ 1,518	\$ 11,929	\$ 7,500,000	\$ 33,287	\$ 28,913	\$ 7,925
Percentage of appealed parcels reduced	9%	26%	1%	18%	20%	11%
Percentage of appealed tax liability reduced	13%	41%	29%	34%	35%	24%
Average percentage reduction	10%	17%	100%	20%	20%	18%

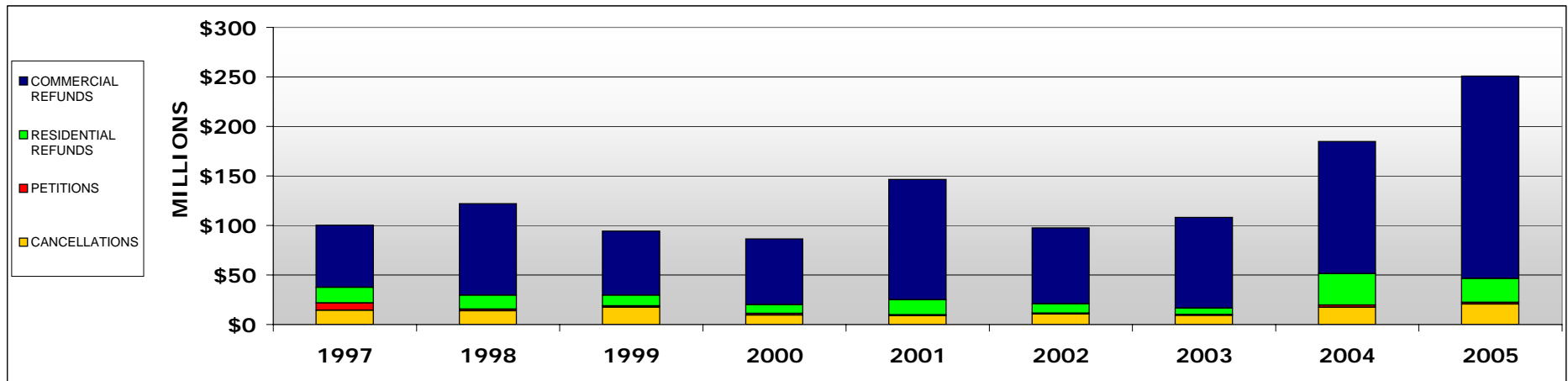
ARC's expanded staff and new systems enabled it to reduce more commercial values on the 2006-07 final roll than in any prior year. More accurate tentative assessments led to fewer reductions for residential properties.

RESIDENTIAL RESULTS ON ADMINISTRATIVE APPEALS BY REPRESENTATIVE TYPE			
	Homeowners	Represented	Total
Parcels			
Appealed	12,459	115,761	128,220
Reduced on roll by stipulation	1,973	9,808	11,781
Reduced on roll, total	1,977	9,931	11,908
No reduction	10,482	105,830	116,312
Tax liability for 2006-07			
Appealed	\$ 124,796,911	\$ 1,220,089,485	\$ 1,344,886,396
Reduced on roll by stipulation	\$ 25,852,323	\$ 144,948,891	\$ 170,801,214
Reduced on roll, total	\$ 25,965,250	\$ 146,316,521	\$ 172,281,770
No reduction	\$ 98,831,662	\$ 1,073,772,964	\$ 1,172,604,626
Tax reduction for 2006-07			
Reduced on roll by stipulation	\$ 2,722,888	\$ 15,155,377	\$ 17,878,265
Reduced on roll, total	\$ 2,733,150	\$ 15,343,367	\$ 18,076,517
Statistics			
Average tax - parcels appealed	\$ 10,017	\$ 10,540	\$ 10,489
Average tax reduction	\$ 1,382	\$ 1,545	\$ 1,518
Percentage of appealed parcels reduced	16%	9%	9%
Percentage of appealed tax liability reduced	21%	12%	13%
Average percentage reduction	11%	10%	10%

Only 10% of homeowners chose to represent themselves, but those who did were more successful on average than those who used a paid representative

TAX REFUNDS BY YEAR OF PAYMENT

	1997	1998	1999	2000	2001	2002	2003	2004	2005
COMMERCIAL REFUNDS	\$ 62,712,513	\$ 92,628,529	\$ 64,651,112	\$ 66,083,215	\$ 121,625,493	\$ 76,733,992	\$ 91,355,411	\$ 133,477,503	\$ 204,251,644
RESIDENTIAL REFUNDS	\$ 15,828,710	\$ 14,087,956	\$ 10,746,650	\$ 9,208,141	\$ 15,199,415	\$ 9,613,587	\$ 6,738,535	\$ 31,824,621	\$ 24,153,012
PETITIONS	\$ 7,265,385	\$ 1,608,426	\$ 1,528,750	\$ 1,394,238	\$ 746,686	\$ 727,572	\$ 721,244	\$ 2,080,385	\$ 1,706,743
CANCELLATIONS	\$ 14,476,461	\$ 13,804,986	\$ 17,319,830	\$ 9,626,472	\$ 9,007,726	\$ 10,571,160	\$ 9,229,906	\$ 17,517,360	\$ 20,637,720
TOTAL	\$ 100,283,069	\$ 122,129,897	\$ 94,246,342	\$ 86,312,065	\$ 146,579,320	\$ 97,646,311	\$ 108,045,096	\$ 184,899,870	\$ 250,749,120



ARC settlements of commercial and residential litigation contributed to the rapid payoff of outstanding claims in 2004 and 2005

Judicial Proceedings Class 4 Parcels

Year	Proceedings Filed		Open Proceedings		Proceedings Resolved Through April 2006	
	Writs	Tax Levied	Writs	Tax Levied	Writs	Tax Refunded
1992-93	8,701	\$ 627,374,675	1,502	\$ 70,566,393	7,199	\$ 75,999,345
1993-94	8,824	\$ 680,754,460	1,508	\$ 75,044,057	7,316	\$ 79,188,291
1994-95	9,418	\$ 655,569,623	1,756	\$ 89,105,852	7,662	\$ 69,263,544
1995-96	9,690	\$ 705,160,105	2,007	\$ 105,575,133	7,683	\$ 67,513,337
1996-97	9,937	\$ 739,967,088	2,322	\$ 136,269,338	7,615	\$ 57,616,097
1997-98	10,259	\$ 818,174,376	2,554	\$ 167,317,103	7,705	\$ 52,544,660
1998-99	10,662	\$ 798,941,349	3,128	\$ 186,809,713	7,534	\$ 46,580,091
1999-00	10,686	\$ 840,453,004	3,465	\$ 214,414,429	7,221	\$ 46,832,220
2000-01	10,576	\$ 906,217,393	3,620	\$ 251,839,481	6,956	\$ 54,336,350
2001-02	10,592	\$ 950,825,870	4,051	\$ 304,045,393	6,541	\$ 57,691,976
2002-03	10,640	\$ 1,024,814,787	4,718	\$ 400,869,979	5,922	\$ 53,315,087
2003-04	10,515	\$ 1,209,903,299	6,548	\$ 693,249,654	3,967	\$ 54,173,114
2004-05	10,420	\$ 1,034,291,999	6,812	\$ 605,464,341	3,608	\$ 35,413,222
2005-06	10,321	\$ 1,116,742,993	8,211	\$ 825,207,060	2,110	\$ 7,390,360

Cases from before the revaluation remain open, but many are inactive and will be abandoned

Judicial Proceedings Class 2 Parcels

Year	Proceedings Filed		Open Proceedings		Proceedings Resolved Through April 2006	
	Writs	Tax Levied	Writs	Tax Levied	Writs	Tax Refunded
1992-93	828	\$ 97,731,134	89	\$ 3,874,992	739	\$ 9,283,652
1993-94	833	\$ 101,490,512	106	\$ 6,167,353	727	\$ 8,276,577
1994-95	857	\$ 93,533,645	121	\$ 5,879,777	736	\$ 6,567,792
1995-96	841	\$ 100,105,502	115	\$ 7,032,582	726	\$ 5,915,135
1996-97	840	\$ 106,698,970	128	\$ 7,094,315	712	\$ 5,870,308
1997-98	862	\$ 113,722,124	148	\$ 9,853,192	714	\$ 5,866,826
1998-99	851	\$ 109,613,836	161	\$ 12,656,992	690	\$ 4,466,805
1999-00	850	\$ 112,494,860	177	\$ 13,274,218	673	\$ 4,227,849
2000-01	854	\$ 118,432,526	193	\$ 15,157,940	661	\$ 10,498,986
2001-02	833	\$ 119,162,725	193	\$ 17,901,242	640	\$ 14,224,309
2002-03	860	\$ 128,550,811	282	\$ 33,610,533	578	\$ 11,534,961
2003-04	839	\$ 155,264,930	481	\$ 78,634,116	358	\$ 8,449,483
2004-05	873	\$ 147,159,500	524	\$ 85,416,298	349	\$ 3,719,442
2005-06	866	\$ 156,804,905	662	\$ 116,437,434	204	\$ 294,889

Refunds for apartment properties spiked after 1999-00 due to a sharp drop in the class ratio

Judicial Proceedings Other than Small Claims

Class 1 Parcels

Year	Proceedings Filed		Open Proceedings		Proceedings Resolved Through April 2006	
	Writs	Tax Levied	Writs	Tax Levied	Writs	Tax Refunded
1992-93	1,224	\$ 51,221,695	477	\$ 11,055,674	747	\$ 4,490,820
1993-94	945	\$ 51,415,466	294	\$ 11,084,828	651	\$ 3,791,283
1994-95	883	\$ 49,334,841	309	\$ 12,565,169	574	\$ 2,282,349
1995-96	913	\$ 52,688,764	341	\$ 13,523,254	572	\$ 2,095,441
1996-97	887	\$ 52,816,819	381	\$ 15,430,146	506	\$ 1,864,640
1997-98	846	\$ 53,986,384	356	\$ 15,933,993	490	\$ 1,714,095
1998-99	830	\$ 52,694,207	427	\$ 16,928,157	403	\$ 887,288
1999-00	772	\$ 51,261,647	421	\$ 15,780,887	351	\$ 671,983
2000-01	876	\$ 51,688,839	488	\$ 18,952,064	388	\$ 561,261
2001-02	754	\$ 55,231,466	435	\$ 20,463,646	319	\$ 613,299
2002-03	873	\$ 63,851,802	570	\$ 25,293,722	303	\$ 785,993
2003-04	1,280	\$ 89,210,662	937	\$ 48,826,650	343	\$ 2,131,508
2004-05	1,188	\$ 89,446,652	917	\$ 47,732,388	271	\$ 779,090
2005-06	1,205	\$ 87,142,589	1,027	\$ 57,206,964	178	\$ 48,343

Attorneys file many writs for townhouse condominiums and other residential parcels, but in recent years few have resulted in refunds

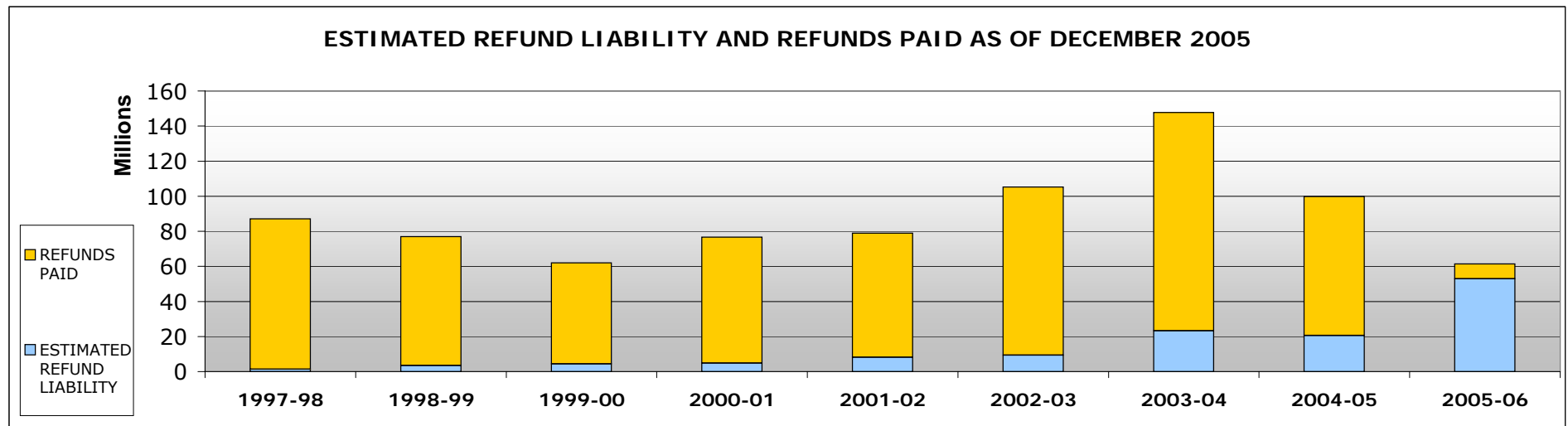
SMALL CLAIMS FILINGS AND RESULTS

	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06
Parcels with Small Claims	36,045	37,392	35,801	40,097	31,415	45,691	36,520
Petitions	36,446	37,991	36,170	40,520	31,668	46,564	36,731
Settlement Reductions	17,855	15,684	13,496	19,526	8,495	9,747	4,921
Tax Reduction	\$9,947,705	\$7,167,195	\$6,275,637	\$10,334,682	\$8,404,826	\$9,201,188	\$8,969,629
Discontinued	5,505	8,868	6,990	13,494	6,490	10,499	981
Hearing Officer Reductions	6,887	7,541	7,858	4,009	8,442	11,246	7,343
Tax Reduction	\$3,856,118	\$5,142,487	\$4,839,760	\$3,297,184	\$9,274,025	\$10,192,537	\$7,981,636
Hearing Officer Dismissals	5,800	5,562	7,338	2,973	7,552	13,829	7,730
Invalid	-	-	-	-	244	194	731
Pending	-	-	-	-	445	1,049	15,025
Percentage Reduced	69%	62%	60%	59%	55%	46%	58%
Average % Reduction	8%	8%	7%	7%	10%	8%	10%
Average Refund	\$558	\$530	\$521	\$579	\$1,044	\$924	\$1,382
Total Tax Reductions	\$13,803,823	\$12,309,682	\$11,115,396	\$13,631,866	\$17,678,851	\$19,393,725	\$16,951,265

The revaluation has brought more expensive homes into the Small Claims program and increased the average refund

ESTIMATED REFUND LIABILITY AND REFUNDS PAID AS OF DECEMBER 2005

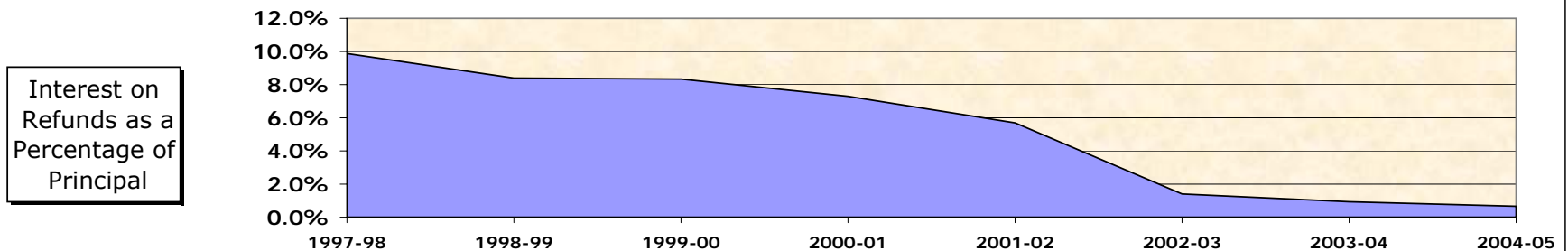
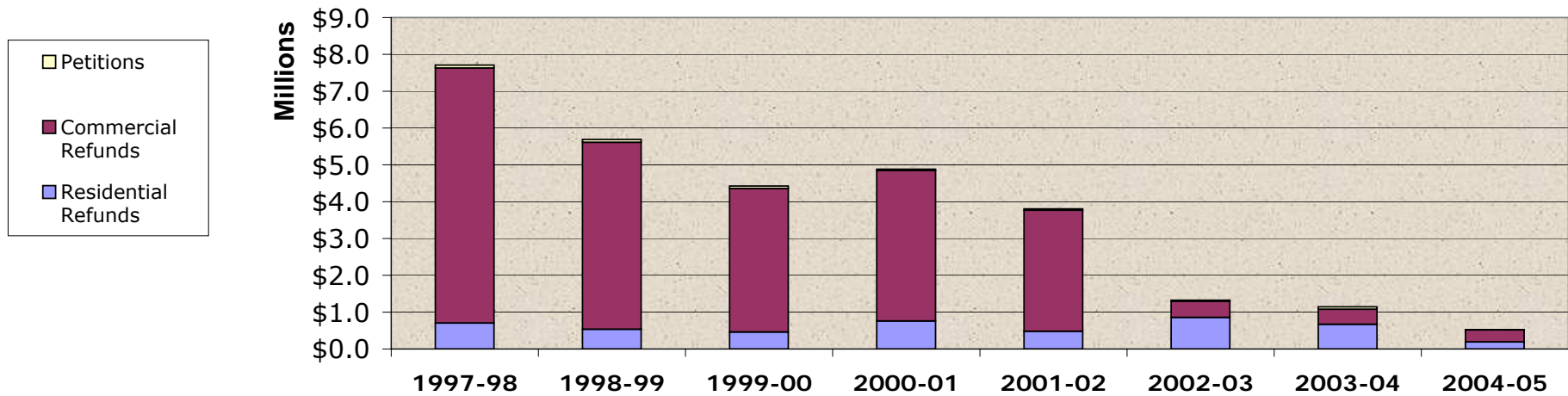
TAX YEAR	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06
REFUNDS PAID	\$ 85,771,556	\$ 73,506,557	\$ 57,537,748	\$ 71,807,855	\$ 70,646,811	\$ 95,936,634	\$ 124,509,649	\$ 79,355,179	\$ 8,372,438
ESTIMATED LIABILITY	\$ 1,371,647	\$ 3,442,381	\$ 4,399,546	\$ 4,905,629	\$ 8,234,489	\$ 9,335,506	\$ 23,308,608	\$ 20,492,704	\$ 52,965,917



The County has paid most of the claims from before revaluation and more than three-quarters of the claims against the initial revaluation assessments

INTEREST PAID BY TAX YEAR									
		1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05
Petitions		80,421	76,438	69,712	37,334	36,379	31,441	67,230	7,527
Commercial Refunds		6,924,388	5,075,532	3,897,386	4,085,113	3,288,250	436,811	408,711	327,099
Residential Refunds		703,637	536,752	459,910	759,150	480,160	856,310	669,887	189,512
TOTAL		7,708,446	5,688,722	4,427,008	4,881,597	3,804,789	1,324,562	1,145,828	524,138
Refund Principal		78,063,110	67,817,835	53,110,740	66,926,258	66,842,022	94,612,072	123,363,821	78,831,041
Interest as % of Principal		9.9%	8.4%	8.3%	7.3%	5.7%	1.4%	0.9%	0.7%

INTEREST PAYMENTS



Quicker resolution and payment have reduced interest expense

APPEAL STATUS OF MAJOR PROPERTIES					
Property	Use	Market Value	ARC Reduction 2006-07	Last Resolution	
Roosevelt Field	Retail Mall	\$497,978,503	0%	2004-05	Discontinued
Green Acres	Retail Mall	\$237,633,797	28%	2002-03	Discontinued
EAB Plaza	Offices	\$195,399,251	0%	1995-96	Settled
Broadway Mall	Retail Mall	\$165,426,096	14%	2000-01	Settled
I Park	Offices	\$140,545,989	0%	2000-01	Settled
Sunrise Mall	Retail Mall	\$133,262,246	0%	2002-03	Discontinued
Belmont	Race Track	\$130,294,011	25%	2006-07	Settled
Source Mall	Retail Mall	\$107,745,989	33%	2005-06	Settled
Omni	Offices	\$96,272,513	0%	1997-98	Settled
Beechwood	Land	\$90,000,000	53%	2006-07	Reclassified
Wyndham	Condominium Apts	\$81,124,385	0%	1997-98	Settled
Franklin Av Plaza	Offices	\$70,663,422	12%	2001-02	Discontinued
LIPA Glenwood Landing	Generator	\$63,000,000	100%	2006-07	Exemption Granted
Costco Plaza	Retail	\$62,473,155	0%	2000-01	Settled
Keyspan - Hicksville	Offices	\$58,444,171	39%	2005-06	Settled
Marriott Hotel	Hotel	\$56,280,535	0%	2001-02	Discontinued
1979 Marcus Ave	Offices	\$55,371,337	0%	2002-03	Settled
Philips at Sunrise	Shopping Center	\$54,783,850	12%	2006-07	Settled
Home Depot Expo	Shopping Center	\$53,886,310	0%	2001-02	Settled
Ring Road Office Complex	Offices	\$51,054,439	12%	1998-99	Settled

APPEAL STATUS OF MAJOR PROPERTIES					
Property	Use	Market Value	ARC Reduction 2006-07	Last Resolution	
Jericho Plaza	Offices	\$50,454,439	0%	2006-07	Discontinued
Triad IV	Offices	\$50,145,348	0%	2001-02	Settled
Triad III	Offices	\$49,379,251	0%	2004-05	Settled
711 Stewart Avenue	Offices	\$43,896,150	0%	2005-06	Discontinued
Fairhaven - Woodbury	Apartments	\$43,665,134	13%	2004-05	Settled
Jericho Quadrangle 2	Offices	\$43,324,920	7%	2000-01	Settled
North Shore Atrium I and II	Offices	\$41,965,989	14%	2000-01	Settled
Jericho Quadrangle 1	Offices	\$41,410,909	13%	2005-06	Settled
Americana	Shopping Center	\$40,363,850	0%	2004-05	Discontinued
Jericho Quadrangle 3	Offices	\$39,655,080	15%	2000-01	Settled
The Pavillion	Offices	\$38,489,733	15%	2006-07	Settled
Atria West	Offices	\$38,108,984	0%	2005-06	Settled
Woodbury Center	Shopping Center	\$37,602,567	0%	1988-89	Abandoned
2001 Marcus Ave	Offices	\$37,186,310	0%	2001-02	Discontinued
Foehlich Farm Blvd	Offices	\$37,128,449	0%	1999-00	Discontinued
Garden City Hotel	Hotel	\$37,055,829	0%	1993-94	Settled
Bay Harbor Mall	Shopping Center	\$36,926,845	18%	2006-07	Settled
Sears - Hicksville	Department Store	\$36,860,749	0%	2002-03	Settled
Former Avis Building	Offices	\$36,750,909	30%	2002-03	Settled
Manhasset Center	Shopping Center	\$36,511,979	0%	2004-05	Discontinued

APPEAL STATUS OF MAJOR PROPERTIES					
Property	Use	Market Value	ARC Reduction 2006-07	Last Resolution	
1400 Old Country Road	Offices	\$35,875,615	0%	2004-05	Settled
One Old Country Road	Offices	\$35,866,952	8%	1997-98	Settled
Five Towns Center	Shopping Center	\$35,431,337	0%	2004-05	Settled
Lake Success	Shopping Center	\$35,044,278	0%	2002-03	Discontinued
Cablevision Headquarters	Offices	\$34,835,615	0%	1995-96	Settled
1600 Stewart Avenue	Offices	\$34,744,813	13%	1995-96	Settled
Northrop Grumman	Industrial Bldg	\$34,252,727	12%	2002-03	Settled
Plainview Complex	Land	\$33,781,711	0%	2000-01	Settled
Great Neck Terrace	Cooperative Apts	\$33,716,684	26%	2004-05	Settled
Macy's Manhasset	Department Store	\$32,786,952	17%	2004-05	Settled
50 Charles Lindbergh Blvd	Offices	\$32,463,316	5%	1993-94	Settled
Roslyn Gardens	Cooperative Apts	\$29,298,289	30%	2004-05	Settled
Nassau Mall	Shopping Center	\$29,006,524	9%	2000-01	Settled
Keyspan - Glenwood Landing	Utility Facility	\$28,214,545	0%	1999-00	Discontinued
GEICO Headquarters	Offices	\$27,484,706	19%	2004-05	Settled
Pall Corporation	Warehouse	\$24,556,898	9%	2002-03	Settled
Sears - Garden City	Department Store	\$23,898,930	35%	2002-03	Settled
Century 21	Department Store	\$21,654,011	0%	2006-07	Dismissed
Long Beach Towers	Apartments	\$18,371,444	0%	2006-07	Dismissed

ASSESSMENT REVIEW COMMISSION

ANNUAL REPORT

2006-07

PROGRAM DESCRIPTION, ACCOMPLISHMENTS AND PLANS

Overview

Nassau County's residential and commercial property owners can have errors in their property's assessment corrected before the tax is due. ARC – the Assessment Review Commission – has the ability to act on any assessment that is appealed by the owner or other person responsible for the tax payments. If the assessment is shown to be excessive, ARC may direct that the assessment be corrected even before the tax bill is calculated. ARC is an independent body separate from the Department of Assessment.

ARC reviews all of the appeals that it receives by March 1 and makes a determination by April 1 of the following year. ARC received appeals involving more than 146,000 parcels, including 128,000 residential parcels for the 2006-07 tax year. Nearly all of these appeals challenged the full value estimated by the Department of Assessment by making a claim that is legally defined as *unequal assessment*. A small number of appeals also sought correction of exemption or classification determinations.

ARC's timely adjustments allow many homeowners and business taxpayers to pay their fair share of local taxes and avoid paying excess amounts due to the errors in the initial valuation by the Department of Assessment's mass appraisal process. In many instances these corrections are implemented on the final tax roll or by corrected tax bills so that taxpayers have no need to pay the excess tax and wait to receive a refund. Further, where ARC acts on the current assessment, taxpayers avoid the costs and delay of litigation.

ARC also has concurrent authority with the courts to resolve past claims preserved by lawsuits against the County. ARC's settlement process is streamlined and can resolve cases much sooner than they can be addressed by the courts. In 2005, as a temporary measure, ARC also implemented settlements negotiated by the County Attorney's Office, thereby shaving several months from the time elapsed from negotiation to final payment. Prior to 2005, ARC implemented only its own settlement proposals. This is again the case in 2006.

Purpose of ARC review of tentative assessments

Every property owner's bill for school, town, county and special district taxes is based on the budgets of the several districts and the value of the property as estimated by the County's Department of Assessment.

After the tentative annual assessment is published on January 2, taxpayers may file an Application for Correction of Assessment with ARC. The last day to file is March 1. ARC may reduce the assessment or leave it unchanged; it cannot increase assessments. ARC may also correct a property's classification for tax purposes and grant exemptions that were denied on the initial application to the Department of Assessment.

Property owners may complete the application for themselves; there is no requirement that they be represented by an attorney. There is no filing fee.

During the year following the filing of the applications, ARC reviews the tentative assessments that have been challenged and makes a

determination in time for entry on the final assessment roll, which is published on April 1 of the following year. The tax bills based on this assessment are issued on the following October 1 for school purposes and January 1 for general municipal purposes.

Judicial review of assessments confirmed by ARC

Taxpayers who do not receive an offer of reduction, or who seek a greater reduction, may obtain judicial review by filing a petition by the last business day in April or within 30 days of the final determination by ARC. Residential taxpayers may make use of a Small Claims procedure.

Once a proceeding is commenced, the County is represented by the County Attorney's office. However, ARC has concurrent authority to resolve outstanding litigation challenging assessments. ARC has used that authority to speed the resolution of pending commercial assessment challenges, where typically several proceedings relating to the same property are pending at once.

Small Claims Assessment Review (SCAR) proceedings in the Supreme Court involve owner-occupied residential properties whose owners usually opt for this simplified form of litigation. Although the program was established as a means to allow homeowners to act on their own behalf, in Nassau County law firms and grievance services file most SCAR proceedings. Unlike the case with commercial assessment litigation, these cases involve only one tax year and are resolved within 18 months. The County Attorney delegates most responsibility for defense of Small Claims cases to the Department of Assessment, which has hired a staff for this function. Previously, the County hired private firms to handle settlements and appearance at Small Claims hearings.

The settlement process for residential cases now occurs at ARC during its review of the administrative appeals, which are prerequisites to judicial proceedings, including Small Claims.

The need for an administrative review process

Until 2002 the County relied almost exclusively on the litigation process to resolve assessment disputes. In every case, the taxpayer claiming an assessment error was required to file an application with ARC or its predecessor, the Board of Assessment Review, which would almost invariably deny the application. The taxpayer would then commence a lawsuit in the Supreme Court's tax certiorari part or its Small Claims Assessment Review program for residential properties. While the litigation continued the taxpayer paid taxes on the disputed assessment. If the taxpayer was successful, the County paid all of the refunds, including those for school and town taxes.

This slow-moving process applied whether the case was simple or complex and whether the County admitted an error or disputed the claim. It benefited neither the property owners nor the County taxpayers.

During the 1980s and 1990s the increasing inaccuracy of the County's frozen assessment roll overloaded this litigation model and deprived the County of an effective means of defending its assessments. As a result it was exposed to potential refund liability even for accurate valuations.

At that time the County used the Assessment Review Commission's powers primarily as a mechanism to carry-forward settlements negotiated by the County Attorney for prior years. The Assessment Review Commission lacked the resources or mandate to do more.

The lack of an effective administrative review process contributed to the accumulation of more than \$1.8 billion in County debt for tax refunds paid with borrowed money.

Legislative changes

The Assessment Review Commission was established by 1998 state legislation that replaced the Board of Assessment Review with an entity that had powers similar to New York City's Tax Commission. However, the new entity, like its predecessor, had effectively only two weeks to make changes to the final assessment roll. Amendments in 1999 deprived the new body of its power to require property owners to submit relevant information.

In 2002, the statute was again amended at the request of the County with support from the Nassau County Interim Financing Authority. This legislation created a new assessment and review schedule that allowed ARC a full year to correct the final assessment roll and restored the power to require relevant information in the same manner as boards of assessment review elsewhere in the state. A sunset provision in the 2002 legislation will eliminate the one-year review period after 2012 unless the law is again amended.

Boards of Assessment Review in New York State review only the most recent tentative assessment roll. The 1998 legislation granted ARC the power to also review as many as three pending challenges preserved by judicial proceedings. The 2002 legislation temporarily expanded this to give ARC the authority to review all pending challenges.

ARC has used this power to resolve all years by a single agreement to streamline the implementation of settlements, avoiding the need for

ministerial actions by the court system, and eliminating multiple handoffs between law firms representing taxpayers, County departments and town tax receivers.

Building a new infrastructure

In order to make use of the powers granted by the 1998 and 2002 state legislation, the County Executive and the County Legislature charged the Assessment Review Commission with substantial new responsibilities for implementing aspects of the Financial Plan and provided the necessary resources.

In order to create a new way of doing business, the Assessment Review Commission:

- Adopted permanent rules of procedure approved by the County Legislature.
- Appointed 23 full-time appraisers from civil service lists making ARC one of the largest and most experienced groups of professional appraisers on Long Island. In addition to supporting the mission of the Assessment Review Commission, the staff appraisers provide consulting services to other County departments.
- Acquired the services of experts in appraisal automation, statistical analysis and assessment administration.
- Developed electronic templates for commercial and residential appraisals that capture all of the essential facts, figures and calculations used to determine value and facilitate internal quality control procedures.

- Developed easy to use appeal forms adapted to electronic filing over the Web. Nassau is one of the first assessing jurisdictions in the country to do so and the only one in New York State.
- Established a customer service group to assist taxpayers who chose to appeal on their own behalf.
- Established procedures for notifying the Department of Assessment of errors in the data used for assessment determinations.
- Developed a streamlined settlement documentation process that eliminated many steps and potential sources of error.
- Developed a system for conveying corrected tax data to the town and city receivers for purposes of issuance of corrected tax bills.
- Made information on assessment review proceedings readily available to the public via the Web. Owners, tenants, lawyers, municipal officials and interested citizens can look up the status of any proceeding, including the amount of any refund paid.
- Worked with County Information Technology staff to build a tracking system that links records from multiple legacy computer systems. The new system enabled ARC to implement the refund without settlement program in 2005 and expand its program of correcting assessments on the final roll, and will be used to monitor the use of the annual appropriation for refunds.
- Assembled appraisal databases by collecting and indexing data received from owners in connection with appeals.
- Acquired additional appraisal data from commercial sources.
- Obtained access to the Department of Assessment's physical inventory data and building photographs and the County's Geographic Information System and aerial photography.
- Developed statistical models that assist in prioritizing and assigning appraisal and quality control work.
- Developed and documented detailed procedures for key operational processes and controls.
- Developed procedures for assessment ratio and trend analysis.
- Worked with the County Comptroller and outside audit firm to develop methodology for estimating potential liability for future refunds.

ARC's plans to further secure and improve its capacity to accurately determine appeals include staff development and training, deployment of statistical models for additional property types, enhancements of existing technical systems and participation in a next phase of technical development that will provide greater integration with other departments involved in assessment and tax administration.

ASSESSMENT REVIEW COMMISSION
PRIORITY PLAN FOR 2007-08

The Assessment Review Commission plans to review all completed applications for correction of residential and commercial property assessments during the period from January 2, 2006, through April 2, 2007.

Where applications are incomplete the Assessment Review Commission may request that the missing data be supplied and, may dismiss cases with prejudice where the information requested is not supplied and the applicant or his or her agent willfully refuses to be examined.

To the extent that assessment challenges not resolved by the Commission are preserved by viable proceedings pursuant to Article 7 of the Real Property Tax Law, the Commission may review those matters again annually during the period for which it retains jurisdiction pursuant to Real Property Tax Law § 523-b.

In setting its schedules for information requests, review, examinations, settlement conferences and notices of determination, the Assessment Review Commission will consider the following:

Probability that the assessment will be found excessive.

Extent of the estimated excess liability.

Increase over a previous settlement.

Extent of increase in taxable valuation over prior year's valuation.

Claim of error in an exemption or classification determination.

Assessment increase attributed to new construction or renovation in excess of claimed actual value added.

Apparent discrepancy between the owner's and Department of Assessment's physical inventory information.

NOTES ON STATISTICAL TABLES AND CHARTS

Definitions:

Class 1 One, two and three family homes. Townhouse condominiums. Residential vacant land.

Class 2 Apartments, including other condominiums, cooperatives and rental housing.

Class 3 Utility company equipment and special franchises.

Class 4 Other nonresidential property.

Residential cases: Assessment review proceedings involving residential property resolved by the Assessment Review Commission or Small Claims hearing officer decision.

Commercial cases: Assessment review proceedings resolved by the Assessment Review Commission, pre-trial settlement or court order: Mostly commercial property but including Class 1 properties for which judicial proceedings other than Small Claims are filed.

Petitions: Corrections of clerical errors requested by the County Assessor and approved by the Assessment Review Commission or the County Legislature.

Cancellations: Reductions of liability due to assessment corrections for taxes levied that are either not yet billed or unpaid.

Refunds: Except as otherwise noted, reductions of tax liability by refund or cancellation, including interest.

Tax year: The tax year is identified by the years in which the final assessment is published and taxes are billed. School taxes are billed in the same year that the final roll is published; general taxes in the following year. Data reported by tax year are based on the assessment involved in the transaction rather than by the date of the transaction. For example, a refund paid in December 2005 based on a settlement of a proceeding challenging the final assessment published in April 1999 is reported for the 1999-00 tax year.

Sources: Except as noted sources are Nassau County Assessment Review Commission, Department of Assessment and Department of Information Technology.

Tables and Charts:

Estimated New Refund Liability by Tax Year. Estimated liability for tax refunds (principal only) arising from assessment errors on most recent tax roll, as of December 31 in the year the roll was published. The total liability estimate is based on the most recent audited Refund Liability Study but breakdowns by tax year are unaudited estimates.

Estimated Tax Refund Liability. Estimated total liability for tax refunds (principal and interest) that existed as of December 31 in each year, as stated by the County Comptroller in the Comprehensive Annual Financial Report.

Taxes Levied in Nassau County. The County levies include taxes levied for the fiscally independent Nassau Community College. Town and village levies include fire district taxes. School taxes include coterminous library district taxes. Charges not based on value and taxes for prior periods are excluded. Sources: Department of Assessment, Office of the State Comptroller, Office of Real Property Services.

Market Value and Tax Levy Growth. Market values are based on total assessed value of taxable properties and assessment ratios used for tax review purposes. Levies include those subject to the County Guarantee.

Tax Levies, Market Value and Effective Tax Rates by Class. See previous note.

Composition of Market Value and Tax Levies by Class. See previous note.

Administrative Appeals by Tax Year. Data for most recent year is subject to adjustment. Filings for Class 3 and Class 4 utility properties are estimates for years prior to 2006-07.

Administrative Appeals by School District. See previous note.

Roll Reductions by the Assessment Review Commission. Tax liability and tax reduction are estimated based on total assessed value, before deduction of partial exemptions, and county-wide average tax rates for each class. Excludes Class 3 and 4 utility properties.

Assessment Review Commission Actions on Administrative Appeals. Tax liability and tax reduction are estimated based on total assessed value, before deduction of partial exemptions, and county-wide average tax rates for each class.

Residential Results on Administrative Appeals by Representative Type. See previous note.

Tax Refunds by Year of Payment. Principal and interest. Source: Office of the County Treasurer.

Judicial Proceedings – Class 4 Parcels. Tax liability and tax refunds are estimated based on total assessed value, before deduction of partial exemptions, and county-wide average tax rates for the class and year. Refund amounts include refunds without settlement, which do not finally resolve the proceeding. Excludes utility properties.

Judicial Proceedings – Class 2 Parcels. See previous note.

Judicial Proceedings Other than Small Claims – Class 1 Parcels. See previous note.

Small Claims Filings and Results. See previous note. Hearings on most recent tax year are in progress; partial results are reported.

Estimated Refund Liability and Refunds Paid. Principal and interest. Cancellations and refunds other than commercial refunds are estimated based on data from the Office of the County Treasurer. The total liability estimate is based on the most recent audited Refund Liability Study but breakdowns by tax year are unaudited estimates.

Interest Paid by Tax Year. Principal includes cancellations. Cancellations and refunds other than commercial refunds are estimated based on data from the Office of the County Treasurer.

Appeal Status of Major Properties. Market values are based on total assessed value of taxable properties and assessment ratios used for tax review purposes. Actions stated are subject to adjustment.

The tables and charts in this Annual Report were prepared by Thomas Poli. Data and analysis were provided by Mark MacArthur, John Spara, John Stanco, Sunil Beesham, John Peguillan, Angelo Tomeo and Regina Mahony Goodman.

ASSESSMENT AND REVIEW CALENDAR FOR THE 2007-08 TAX YEAR

January 2, 2006	Department of Assessment publishes tentative assessment roll based on value as of this date.
March 1, 2006	Last day to file an appeal.
March 2006 – March 2007	The Assessment Review Commission reviews appeals and makes determinations.
January 2, 2007	Last day to file an application for a new exemption with the Department of Assessment. Eligibility for exemptions determined as of this date. Department of Assessment publishes revised tentative assessments reflecting new construction or expansion of improvements. Value determined as of this date for property affected by new construction, expansion or destruction of improvements, or change in exempt status.
March 1, 2007	Last date to appeal tentative assessment, not previously appealed, that was revised due to construction or change in exempt status or for Department of Assessment's failure to reflect new exemption or destruction of improvements.
April 2, 2007	Department of Assessment publishes final assessment roll reflecting changes made by the Assessment Review Commission, exemption changes and changes due to destruction of improvements.
April 30, 2007	Last day to file for judicial review of the Assessment Review Commission's determination.
October 1, 2007	Town Receiver of Taxes mails school tax bill based on April 2007 assessment.
January 1, 2008	Town or city receiver mails general tax bill based on the April 2007 assessment.
Dates are approximately one year earlier for 2006-07 and one year later for 2008-09.	